

Agency: Commerce, Community and Economic Development**Grants to Named Recipients (AS 37.05.316)****Grant Recipient: United Way of Anchorage****Federal Tax ID: 92-0027948****Project Title:****Project Type: Other**

United Way of Anchorage - Restaurant and Hunger Relief Program

State Funding Requested: \$2,354,000**House District: 20 / J**

One-Time Need

Brief Project Description:

Modeled after programs being implemented as economic development and relief during the COVID-19 pandemic, this program was implemented in November 2020 to purchase meals from local restaurants chosen in lottery drawings and provide them to non-profit community service locations.

Funding Plan:

Total Project Cost: \$2,654,000

Funding Already Secured: (\$300,000)

FY2023 State Funding Request: (\$2,354,000)

Project Deficit: \$0

*Funding Details:**\$300,000 on hand is from local community and business donations in 2021-2022*

Prior funding summary: Municipality of Anchorage: \$2,840,000; Alaska Community Foundation: \$ 800,570; Other community contributions, individual donors, and philanthropic funds: \$ 1,235,000. Total prior funding rounds in 2021: \$ 4,875,570.

Detailed Project Description and Justification:

The Restaurant and Hunger Relief program was created by the Alaska Hospitality Retailers Association (AKHR), the United Way of Anchorage, and the Municipality of Anchorage with the support and contributions of many partners, including the Rasmuson Foundation, the Alaska Community Foundation and approximately 200 individual donors. Modeled after programs being implemented as economic development and relief during the COVID-19 pandemic, this program was implemented in November of 2020 to purchase meals from local restaurants chosen in lottery drawings and provide them to non-profit community service locations such as shelters, senior centers and childcare settings; and to housing programs for low-income families, persons with disabilities and the elderly. This is a win-win-win for the community that provides hungry residents with nutritious meals, economic relief to a key service sector that has been devastated by the pandemic, and a boost to the non-profits and community locations who receive an additional benefit to offer those seeking help.

The program has operated at approximately \$75,000 per week. United Way proposes a 28-week program operating at \$75,000 per week for meals, with an additional 5% allocated for delivery, equaling \$78,500 per week for program costs. In addition, \$300,000 of special holiday meals will be provided at sites where special meals may not be available and where individuals and families may be separated from their families over the holidays. United Way's current award from the Alaska

Community Foundation will allow the program to re-start in June 2022. United Way plans to continue it through the remainder of the 2022 calendar year if funding can be identified.

The National Restaurant Association's latest Operator Survey from January 2022 indicates that restaurants continue to see negative impacts from the latest variants of COVID-19 (<https://restaurant.org/education-and-resources/resource-library>). In this survey, 76% of the respondents said their business conditions are worse now than three months ago. According to the December Anchorage Economic Development Council report (<https://aedcweb.com/project/anchorage-employment-report-december-2021-2-2-2/>), the services sector in Anchorage is anticipated to take three to five years to recover from pandemic impacts on maintaining jobs and capacity following workforce loss, increased costs of food, and supply-chain disruptions. The slowed recovery of this sector, which experienced a 45% higher job loss rate compared to other sectors during the pandemic, continues to impact the economic resources for tourism and hospitality -- major engines of city's economic health. Ongoing support for this sector is needed to help Anchorage return to pre-pandemic levels of employment for our community members and income from tourism. The project's successes and the impact of the financial support for the restaurant industry is illustrated by the program's 65 participating restaurants providing meals to 38 service sites, housing programs and community location. A total of 264,338 meals were delivered as of January 31, 2022, to more than 3,500 individuals over the course of the 26 months of the program. These numbers also represent 748 restaurant employees who were hired, re-hired, or maintained work when these workers may have faced unemployment. In addition, approximately 410 existing employees received extra hours of work -- helping to stabilize these workers and their families. The program has received \$2,840,000 from the Municipality of Anchorage and just over \$2 million of additional funding support from philanthropy partners (Rasmuson Foundation and Alaska Community Foundation CARES Act funding), donations from individual donors, community partners and the AK Can Do fund.

Program details: This project requires close daily coordination between UWA and AKHR to ensure meals are delivered, food quality is within standards and the appropriate accounting of the program funds has been achieved. A unique team approach is used with United Way recruiting and coordinating participation with non-profits and housing programs, and Alaska Hospitality Retailers Association coordinating with participating restaurants. Recruitment and matching of restaurants with delivery sites is completed through the process described below and maintained for several weeks of service delivery, providing revenue to restaurants struggling, and needed meal support to non-profits and housing programs where many community members are still dealing with the impacts and isolation of the pandemic. Onboarding restaurants to produce meals: Once the program announces a lottery opening, AKHR receives applications, which are then reviewed to ensure that each restaurant can complete the number of orders, has a plan for delivery that meets health code requirements and is able to deliver the meals for the period specified. Guidelines for food preparation and delivery are provided to the restaurants and are reviewed to ensure compliance with food safety. Once these restaurants have been vetted, they are placed into the lottery for drawing. The lottery drawings have been public events, with the President of United Way drawing restaurant names out of a drum. The restaurants then have approximately 2 weeks to order food and prepare for the meal service. Service contracts vary in length and the latest rounds of deliveries consisted of 12-week delivery sessions. Onboarding non-profit and housing locations to receive meals: The United Way has announced the availability of meals through our own communication networks and through partners such as the Anchorage Coalition to End Homelessness to connect with organizations interested in receiving meals. Eligibility and priority is given to locations with larger numbers of people to feed, and those sites that can provide the meals to recipients or have the meals consumed within two hours. Ongoing communication is needed with the non-profits to plan for schedule changes, food allergies, meal number changes, or days when the program is closed.

To maintain smooth functioning, the United Way and AKHR identify emergency placements for the meals if a non-profit is closed for unexpected reasons, like a snow day. Management tools and program coordination/communication: UWA and AKHR have developed and maintain shared documents and procedures to coordinate meal delivery (weekly meal delivery charts) and funding expenditures (funding burn-down chart and weekly reconciliation of menu orders vs invoices).

Innovation fund: The project budget includes \$50,000 of innovation funding that the program sponsors would like to make available for restaurants who are utilizing innovative mechanisms to recruit or retain employees. We will hold a separate funding process for restaurants to apply for this funding (up to \$5,000 per restaurant) to test incentives, training or support programs, or other mechanisms that may help with maintaining or increasing the capacity and stability of the workforce. This portion of the project will be developed with our community stakeholder group. Community Integration of benefits gained: The United Way and Alaska Hospitality Retailers Association have developed a plan to solicit input at all levels of participation and support for this program. In February through March of 2022, a community look-back will be conducted on the operation of this program to determine ongoing benefit that may be provided to Anchorage through future iterations of this program. We will survey all participants -- non-profits, individuals who enjoyed the meals, restaurants, and employees to gather input on the successes, challenges, and recommendations for improving the program. Once this information is collected, UWA and AKHR will convene a stakeholder group that includes the many entities that have contributed to these efforts, as well as those who are involved in hunger and food insecurity work in the community to ask the question, "How can the benefits of this program be sustained and carried forward?" This information will be compiled and will help program sponsors work with community leaders on potential ideas for addressing the food needs of critical social service infrastructure entities, while strengthening the rich connection between community restaurants and our local non-profit sector.

Project Timeline:

If funded, delivery of meals will begin in June and will run through the end of the calendar year. The length of delivery sessions will be reviewed and set in communication with Alaska Hospitality Retailers Association, non-profits, and our community partners.

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

United Way of Anchorage and Alaska Hospitality Retailers Association

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Has this project been through a public review process at the local level and is it a community priority? ☒ Yes ☐ No